

DELAWARE MANUFACTURED HOME RELOCATION AUTHORITY

**1979 S. State St.
Dover, DE 19901**

Pursuant to 29 Del. Code 10004, the Board of Directors of the Delaware Manufactured Home Relocation Authority convened a hybrid meeting on **June 16, 2022**, commencing at **1:30 P.M.** at 1979 S. State Street, Dover, DE 19901.

Minutes of June 16, 2022 Board Meeting

IN-ATTENDANCE:

Authority: Mitch Crane
William Dunn
Richard Hrycyshyn
George Meldrum
Andry Strine
Patrick Malone (Non-Voting Member)

Gregg Sutton (Executive Director)
Lorraine Hrycyshyn (DEMHRA Office Assistant)

Legal Counsel: Melissa Rhoads

Other: Michael Clarke, Department of Justice

Via Zoom: Jen Allen, First State Manufacturing Housing Association (FSMHA)

I. Call to Order:

Mr. Crane called the meeting to order at 1:30p.m. All were in attendance.

II. Review and Approval of Minutes:

A motion to approve the May 19, 2022 minutes was made and seconded.
The motion carried 5-0.

III. Chair's Report:

- Mr. Crane reported that although unanimously supported by the legislative committees, the proposed Bill to compensate DEMHRA board members \$100.00 per meeting was suddenly withdrawn from their May agenda.
All Bills related to manufactured housing have been put on hold.

Although, there have been ongoing discussions, Mr. Crane stated that he didn't perceive that

there would be any further actions before the June 30th recess.

IV. Executive Director's Report:

Mr. Sutton stated that since May's board meeting:

- We have now been assigned State email addresses and have begun the process of forwarding our DEMHRA emails to our new email address.
- The Annual Audit has been posted on our Website.
- Christine Hambleton of the Division of Revenue notified us that as a result of her office closing out for the fiscal year, with the exception of payroll checks, they will stop issuing checks as of June 15, and will resume by approximately mid-July. This includes relocation benefits checks. So, for any applications approved today, the residents will not receive checks before mid-July.

V. Legal Counsel Report:

- There are currently six cases in the Court of Common Pleas for delinquent payment of assessments, of which, two required a second attempt at service. The other four have either filed a motion for default, or are about to. Those will have hearing dates in July or August. Although there has been no response from most of them, a few have made an informal response to Christine Hambleton, most notably the communication from Fish Hook, who expressed being very confused about the assessment and disgruntled, but indicate they will pay but are now on month three and nothing has happened.
- Paradise Cove will be handled later during Executive Session.
- Mason Dixon – this remaining portion is being represented by Bob Valihura. He has indicated he is going to work with his clients about our request about the remaining leases, we have one demonstrative seasonal lease, we do not have the other leases. A Compliance Investigator was sent there last month after the season ended who did find vehicles there.

Oakway, We have been in contact with their attorney Nicole Faries. She advised us that her client feels they are a seasonal community. Mr. Sutton indicated that they are also contesting fewer homes than was previously reported. Our Compliance Investigator verified that they do have more than they reported. We need to confirm with Pat Kandler, the owner, what she has. Ms. Rhoads indicated she has eight active leases. Mr. Sutton informed the board that we have never received copies of any leases, adding that by their own admission they have at least 25 homes paying the assessments in 2019. Ms. Rhoads clarified this is not the position they are taking now.

time Oakway reported to us, they had 39 lots, 25 homes, 6 abandoned, 7 vacant, and 1 owned by the park.

Ms. Rhoads said that they have been advised by their attorney that they have been overpaying for a number of years because they had been paying for unoccupied, abandoned, or homes

that need to be demolished due to their condition. Mr. Crane's true, they need to make a request for the board to consider a reimbursement of some kind and we look at the evidence. A compliance investigator will be sent back to confirm the actual count. Mr. Crane recommended that the investigator do more than just count, Mr. Sutton added that he will also take pictures of abandoned homes and vacant lots

V1. Approval of Financial Matters:

1. Recent Financial Activity & Report (Informational Purposes Only):

The May 2022 Financial Report was reviewed and posted on the DEMHRA Website.

2. Approval of Legal Counsel Invoices:

The Board reviewed the May Invoice in the amount of \$2,320.35.

3. Approval of Other Invoices:

The Board reviewed Magna Legal Services Invoice in the amount of \$255.00, and The Spanish Group Invoice in the amount of \$403.76.

A motion was made and seconded to approve all of the above Invoices. The motion carried 5:0.

VII. Reports:

A. Compliance Matters (Executive Director):

1. Compliance Investigator Report:

Audits were done by two Compliance Investigators to six different parks that have not submitted reports for this year. All the parks were found to be within the margin of error. We still have 64 parks out of 180 that have not submitted reports. Mr. Sutton is sending out an investigator during the week to each of those parks. Most of the large parks have turned in their reports, it is the smaller parks that have not.

Mr. Sutton accompanied the new Compliance Investigator to Ridgeway Manor and Glasgow Court to show her the audit procedure.

2. Delinquent Parks Report:

Parks referred for legal action are not included in this report. Quarter one appeared on the report for the first time. Those parks showing quarter one not paid were sent emails or letters notifying them they are one quarter late. Payment is requested within 10 days and if we do not receive payment they may be referred for legal action. Once the park is two quarters late, emails or letters are sent. If they are two quarters late, and if payment is not made within ten days, they will be referred for legal action. The emails or letters provide information on how to get assistance if needed to complete the MHR-Tax forms. If payment was made, they are instructed to contact Christine Hambleton to give her the proof of payment number on the back of their check.

Minquadale is still delinquent, but it is due to not completing the MHR-Tax form correctly. Ms. Rhoads was asked to send Mr. Sutton the settlement agreement.

If communities are delinquent in payments to the Trust Fund, they are not eligible to receive demolition benefits if they are going through a change of use. This information will be listed in the DEMHRA internal checklist for relocation benefits and will be followed-up to verify payments before demolition benefits are paid.

B. Arbitration Matters:

1. Update on Status of Arbitrator Costs for Open Dockets:

Wild Meadows HOA vs. RHP Properties/Wild Meadows MHC (Docket 07-18):

Arbitrator ruled in favor of the community owner, the HOA has appealed to Superior Court. Mr. Sutton hand-carried the requested documents to the Kent County Prothonotary Office on May 4, 2022.

Wild Meadows HOA vs. RHP Properties/Wild Meadows LLC (Docket 04-2019):

Appealed to Superior Court by the community owner. A citation was received from Superior Court and Mr. Sutton hand-carried the requested documents to the Kent County Prothonotary Office on May 14, 2022.

Wild Meadows HOA vs. RHP Properties/Wild Meadows LLC (Docket 04-2020):

Arbitrator ruled in favor of the community owner. On May 20, 2022, It was appealed by Mr. Morton's Firm, due to arbitrator's decision to deny an above-inflation rent increase. On May 31, 2022, Mr. Sutton delivered the requested records to the Prothonotary in Superior Court.

Shady Park HOA vs. Shady Park MHC LLC (Docket 01-2021):

As of March 10 it is under SEAL in accordance with the confidentiality agreement because the community owner does not want us to discuss it. Motion was filed by the tenants so they do not have to be under seal. All documents prepared and sent to Superior Court on January 20, 2022.

VIII. Unfinished Business:

A. Change in Use Update:

1. Pine Point Park:

Mr. Sutton spoke to the Community Owner two weeks ago and she said all of the affected tenants who were eligible, except for one, have turned in their applications. One had decided not to apply for assistance and therefore it is to be demolished. There were about 18 to 20 Pine Point Park residents that went through Change In Use, therefore, Pine Point Park is finished.

2. Timberlane:

There are six applications that had been preapproved, however Mason & Dixon were unable to move them. Reybold has submitted new Appraisals for moving. There are five new applications for approval.

3. Ford's MHP:

Ms. Faries, the attorney for this community, is sending quarterly notification letters. They have not sent us any applications yet, but they are sending relocation plans to tenants, and

a copy to us.

B. Community Owner Registration Update:

Communities have until December 31st of each year to complete and return the annual registration form. Those who have not sent in their form are audited by the compliance investigator. Of 180 communities, 117 have returned the form and sixty-three have not.

C. Mason-Dixon Annex: This was previously discussed.

D. Approval of Relocation Benefits:

Applications for Approval - Timberlane:

Arturo and Venancio De La Cruz, 162 Sassafras Tree Circle, Newark, DE 19702

Non-relocatable payment for a single-wide in the amount of \$9,500.

Blanca Hernandez/Joel Abel Tenorio Rosiles, 62 Willow Tree Circle, Newark, DE 19702

Non-relocatable payment for a single-wide in the amount of \$8,200.

Patricia Hill, 166 Sassafras Tree Circle, Newark, DE 19702

Non-relocatable payment for a single-wide in the amount of \$12,000.

Leonardo Melina-Catalan, 67 Cypress Tree Circle Newark, DE 19702

Non-relocatable payment for a single-wide in the amount of \$10,500.

Raymond Terrell, 25 Elm Tree Circle, Newark, DE 19702

Abandonment payment in the amount of \$1,500.

• **Applications To Be Reapproved For Relocation Benefits For Reybold:**

Christina Brnik, 18 Holly Tree Circle, Newark, DE 19702

Relocatable payment for a double-wide in the amount of \$16,000.

Stephen Brnik, 167 Sassafras Tree Circle, Newark, DE 19702

Relocatable payment for a single-wide in the amount of \$12,000.

Michelle Hall, 171 Sassafras Tree Circle, Newark, DE 19702

Relocatable payment for a single-wide in the amount of \$12,000.

Theresa & Martin Nichols, 22 Persimmon Tree Drive, Newark, DE 19702

Relocatable payment for a single-wide in the amount of \$12,000.

Michelle Smith, 31 Elm Tree Circle, Newark, DE 19702

Relocatable payment for a single-wide in the amount of \$12,000.

Dave Worrell, 178 Sassafra Tree Circle, Newark, DE 19702

Relocatable payment for a single-wide in the amount of \$12,000.

A motion to approve the above benefits collectively was made and seconded. The motion carried 5-0.

IX. New Business:

A. Falcidian Engagement Letter

Copies have been sent to the board and the Chairman has a copy to sign for the coming year. Mr. Sutton had invited Joanne Kent of Falcidian to this board meeting, to meet us and discuss everything she does for us. Due to an audit, she was unable to come, and will be invited to a future meeting.

B. Paradise Cove Change In Use Letter:

Paradise Cove residents received a change-in-use letter dated May 27, 2022. The change in use letter advised the affected tenants that the landowner intended to change the use of the remaining manufactured housing lots to seasonal lots. DEMHRA requested, and received the list of affected tenants on June 9, 2022. DEMHRA took the list of 35 residents and compared it with the leases on file. There were nine (9) that do not have a lease in our files and 26 that do.

C. Paradise Cove Update

Deputy Attorney General Michael Clarke updated the Board on the settlement discussions with Paradise Cove. He gave an historical context related to the change in use of Paradise Cove without disclosing anything that he considered was privileged information.

The DOJ has crafted some draft language and are committed to sharing the settlement agreement with DEMHRA counsel Ms. Rhoads, in advance, for her input. They have not finalized any settlement agreement. However, they would like to know at some point what the Authority's position is going to be.

X. Public Comments:

None

XI. Next Meeting - Adjournment:

The Board set the next meeting date as July 21, 2022 at 1:30 P.M.

XII. Executive Session:

At 2:31 pm. a motion was made and carried to go into Executive Session. The Board came out of Executive Session at 2:58 pm.

